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1	Introduced by Committee on Education
2	Date:
3	Subject: Education; State Board of Education; postsecondary schools; closings
4	Statement of purpose of bill as introduced: This bill proposes to require that, if
5	an institution of higher education is placed on probation for financial reasons
6	by its accrediting agency, the institution shall inform the State Board of
7	Education of its status and submit an academic record plan for students to the
8	State Board for approval. The academic record plan would be required to
9	include an agreement with an institution of higher education or other entity to
10	act as a repository for the institution's records with funds set aside, if
11	necessary, for the permanent maintenance of the academic records.
12	An act relating to the closing of postsecondary schools
13	It is hereby enacted by the General Assembly of the State of Vermont:
14	Sec. 1. 16 V.S.A. § 175 is amended to read:
15	§ 175. POSTSECONDARY EDUCATIONAL INSTITUTIONS; CLOSING
16	(a) When an institution of higher education, whether or not chartered in this
17	State, proposes to discontinue the regular course of instruction, either
18	permanently or for a temporary period other than a customary vacation period,
19	the institution shall:

(1) promptly inform the State Board;

- (2) prepare the academic record of each current and former student in a form satisfactory to the State Board and including interpretive information required by the Board; and
- (3) deliver the records to a person designated by the State Board to act as permanent repository for the institution's records, together with the reasonable cost of entering and maintaining the records.

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- (d) When an institution of higher education is unable or unwilling to comply substantially with the record preparation and delivery requirements of subsection (a) of this section, the State Board shall bring an action in Superior Court to compel compliance with this section, and may in a proper case obtain temporary custody of the records.
- (e) When an institution of higher education is unable or unwilling to comply with the requirements of subsection (a) of this section, the State Board may expend State funds necessary to ensure the proper storage and availability of the institution's records. The Attorney General shall then seek recovery under this subsection, in the name of the State, of all of the State's incurred costs and expenses, including attorney's fees, arising from the failure to comply. Claims under this subsection shall be a lien on all the property of a defaulting institution, until all claims under this subsection are satisfied. The

1	lien shall take effect from the date of filing notice thereof in the records of the
2	town or towns where property of the defaulting institution is located.
3	* * *
4	(g)(1) The Association of Vermont Independent Colleges (AVIC) shall
5	maintain a memorandum of understanding with each of its member colleges
6	under which each member college agrees to:
7	(1) upon the request of AVIC, properly administer the student records of
8	a member college that fails to comply with the requirements of subsection (a)
9	of this section; and
10	(2) contribute on an equitable basis and in a manner determined in the
11	sole discretion of AVIC to the costs of another AVIC member or other entity
12	selected by AVIC maintaining the records of a member college that fails to
13	comply with the requirements of subsection (a) of this section. If an institution
14	of higher education is placed on probation for financial reasons by its
15	accrediting agency, the institution shall, not later than five business days after
16	learning that it has been placed on probation, inform the State Board of
17	Education of its status and shall, not later than 90 days after being placed on
18	probation, submit an academic record plan for students to the State Board for
19	approval.
20	(2) The academic record plan shall include an agreement with an
21	institution of higher education or other entity to act as a repository for the

- institution's records with funds set aside, if necessary, for the permanent
- 2 <u>maintenance of the academic records.</u>
- 3 (3) If the State Board does not approve the plan, the State may take
- 4 action under subsections (d) and (e) of this section.
- 5 Sec. 2. EFFECTIVE DATE
- 6 This act shall take effect on passage.